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Testimony of Mel Billingsley, Ph.D.
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of Central Pennsylvania
Before
The Sub-Committee on Conservation, Credit Research
and Rural Development

Thank you, Chairman Lucas, Chairman Holden, and Members of the Committee for the opportunity to address this morning a few of the many important issues surrounding the development of life sciences industries in rural areas. My name is Dr. Melvin Billingsley and I am the President and Chief Executive Officer of the Life Sciences Greenhouse of Central Pennsylvania. The Life Sciences Greenhouse created by the Commonwealth of Pennsylvania in 2001 with funds from the Master Tobacco Settlement is working to accelerate economic growth and job creation in central Pennsylvania by advancing commercialization of discoveries in the life sciences. There are, in fact, three regional greenhouses in Pennsylvania, but the Central Greenhouse is the only one of the three that serves a largely rural geography. As I will explain, this presents several unique challenges.

Pennsylvania is far from the only state seeking to stimulate economic development via biotechnology. *Laboratories of Innovation: State Bioscience Initiatives 2004*, a report prepared for the Biotechnology Industry Organization by Battelle Memorial Institute and SSTI, indicates that as recently as 2001, just 14 states had identified the biosciences as an economic development opportunity; today, 40 states are targeting the biosciences for development.

Perhaps the most obvious reason for the interest in the biosciences is the expected growth rate an analysis of U.S. Department of Labor projections suggests that between now and 2012 the biosciences will grow at a rate that is 13% greater than overall employment. In addition, the biosciences tend to generate a wide array of high-quality jobs. According to the aforementioned Battelle study, the average annual salary of workers in the biosciences was \$18,600 more than the national average. Finally, the biosciences encompass a broad range of specialized subsectors. The most significant of these are agricultural feedstock and chemicals; drugs and pharmaceuticals; medical devices and equipment; and research and testing. This assemblage translates into a wide breadth of opportunities. By way of example, the recently released *Pennsylvania Bioscience State-of-the-Industry Report* (June 2004) identifies more than 2,000 establishments employing nearly 84,000 people across subsectors within the state.

